



JOHN NAIMO  
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES  
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION  
500 WEST TEMPLE STREET, ROOM 525  
LOS ANGELES, CALIFORNIA 90012-3873  
PHONE: (213) 974-8301 FAX: (213) 626-5427

December 15, 2015

TO: Sachi A. Hamai  
Chief Executive Officer

FROM: John Naimo   
Auditor-Controller

SUBJECT: **FISCAL YEAR 2015-16 CHARGES TO PROVISIONAL FINANCING  
USES FOR BOARD-DIRECTED ASSIGNMENTS/AUDITS OF GENERAL  
FUND DEPARTMENTS**

As you may recall beginning in Fiscal Year (FY) 2010-11, the Chief Executive Office set aside \$1 million a year in Provisional Financing Uses (PFU) to fund Board-directed Auditor-Controller audits of General Fund departments.

On November 19, 2015, the Audit Committee requested that we provide a quarterly report on the actual cost of the Board-directed audits. Attached is a summary of the costs for FY 2015-16 Board-directed assignments/audits as of October 2015 and their projected costs. Going forward we will provide a report on a quarterly basis. We will continue our practice of reporting the cost of the individual Board-directed audits separately from the actual audit reports.

Please call me if you have any questions, or your staff may contact Elaine Ma, Budget & Fiscal Officer, at (213) 974-7605.

JN:LC:CL:EYM:ap

Attachment

c: Audit Committee  
Chief Executive Office  
Sid Kikkawa  
Gevork Simdjian  
Brian Mahan

**DEPARTMENT OF AUDITOR-CONTROLLER  
BOARD-DIRECTED ASSIGNMENTS/AUDITS COSTS  
FUNDING FROM PROVISIONAL FINANCING USES (PFU)  
FISCAL YEAR 2015-16**

<b>BOARD-DIRECTED ASSIGNMENTS (PFU)</b>	<b>AS OF OCTOBER 2015</b>	<b>ESTIMATED COSTS AT YEAR END</b>
<b>BOARD-DIRECTED ASSIGNMENTS - COMPLETED</b>		
Assessor: Management Audit Recommendation Follow-Up 3	\$ 20,891	\$ 20,891
Mental Health Diversion Program - Phase II & III	\$ 12,941	\$ 12,941
Probation: Budget, Fiscal, and Personnel Review		
- A-C Staff Cost	\$ 58,650	\$ 58,650
- Contractor Cost <sup>(1)</sup>	\$ -	\$ -
Voyager Card Usage Control Review	\$ 31,295	\$ 31,295
<b>TOTAL COSTS OF COMPLETED ASSIGNMENTS</b>	<b>\$ 123,777</b>	<b>\$ 123,777</b>
<b>BOARD-DIRECTED ASSIGNMENTS - IN PROGRESS</b>		
Probation: Violence Intervention Program Interviews		
- Contractor Cost <sup>(2)</sup>	\$ 100,000	\$ 100,000
Sheriff's: Cell Phone Review	\$ 29,752	\$ 30,000
Sheriff's: Warehouse and Equipment Follow-Up Review	\$ 49,541	\$ 78,000
Sheriff's: Capital Projects Funding Review <sup>(3)</sup>	\$ 149,480	\$ 304,000
Sheriff's: Palantir Audit	\$ 10,693	\$ 11,000
Contractor Alert Reporting Database (CARD)	\$ 1,518	\$ 20,000
IT Security Audits Board Motion	\$ 31,454	\$ 32,000
LA County Fair Association Review	\$ -	\$ 150,000
Living Wage Annual Report	\$ 2,301	\$ 3,000
Living Wage Increase	\$ 438	\$ 1,000
Local Small Business Preference Program	\$ 548	\$ 1,000
Mental Health Diversion Program	\$ 24,824	\$ 25,000
Music Center Financial Audit	\$ 276,853	\$ 282,000
Sybil Brand Commission Review	\$ 86	\$ 1,000
Wage Theft Regulation Enforcement	\$ 767	\$ 1,000
<b>TOTAL COSTS OF IN-PROGRESS ASSIGNMENTS</b>	<b>\$ 678,255</b>	<b>\$ 1,039,000</b>
<b>TOTAL COSTS OF BOARD-DIRECTED ASSIGNMENTS</b>	<b>802,032.36</b>	<b>\$ 1,162,777</b>

<sup>(1)</sup> Contract cost of \$138,835 was encumbered in Fiscal Year 2014-15.

<sup>(2)</sup> Total contract cost is \$172,000; \$100,000 is charged against the PFU and the remaining balance of \$72,000 will be billed to the Probation Department.

<sup>(3)</sup> Carryover from FY 2014-15, initiated by a Board Motion to CEO. On 10/8/13, the Board approved the CEO's Board letter recommending funds for the Sheriff to implement jail reforms. The Board letter also included instructions that the Auditor perform quarterly reviews on the expenditures. Last fiscal year's cost was \$134,232.61.